

## **Natural Resources Canada Awards Contract to Innovation Metals Corp. and Metalysis for Research on the Production of Rare-Earth Oxides and Alloys**

**TORONTO, February 16, 2018** – Innovation Metals Corp. (“IMC”), a private company specializing in cost-effective processing solutions for critical metals, is pleased to announce the recent award of a research contract from Natural Resources Canada (“NRCan”), for work on the production of rare-earth-element (“REE”) oxides and alloys.

The contract was awarded as part of NRCan’s Rare Earth Elements and Chromite R&D Program. NRCan is the Canadian government department that oversees the responsible development and use of Canada’s natural resources and the competitiveness of Canada’s natural-resources products.

During the research project, REE solutions will be prepared at the facilities of Ontario-based Process Research Ortech Inc., followed by the precipitation and calcination of REEs from these solutions to produce high-purity REE oxides. IMC will then work with UK-based Metalysis Limited (“Metalysis”), to study the co-reduction of the REE oxides with other metals to produce REE alloys. Metalysis is a U.K. technology company with a unique, solid-state process to produce valuable metal and alloy powders primarily used in 3D printing, aerospace and automotive applications.

“The cost-effective production of REE metals and alloys from separated REE oxides, is an essential component of developing an independent REE supply chain outside of China,” said Dr. Gareth Hatch, President of IMC. “This project is a natural progression of our previously successful work on the production of separated REE oxides via IMC’s RapidSX™ process. We look forward to working with Metalysis to demonstrate an effective, integrated path for REE alloy production.”

REEs exhibit a range of special properties. Their use in components manufactured from a wide range of REE alloys and compounds are essential to the performance of numerous engineered systems for the green-energy, electronics, defense, aerospace and other sectors.

“We are pleased to partner with IMC and NRCan and eagerly anticipate the results of combining our know-how during this project,” said Dr. Ian Mellor, Managing Director of Metalysis’ Materials Discovery Centre. “Metalysis’ process can produce a wide range of advanced alloys and REEs are an area of substantial research interest, which we look forward to exploring together.”

“This research supports the Government of Canada’s commitment to a low-carbon future. Environmentally friendly and energy-efficient technologies will drive Canada’s sustainable growth in the mining sector for generations to come,” said the Honourable Jim Carr, Canada’s Minister of Natural Resources.

The research project is expected to be completed in the Spring of 2018.

**About Innovation Metals Corp.**

Innovation Metals Corp. is a private Canadian-based company and the developer of the RapidSX™ process, a new, patent-pending approach to the separation of rare-earth elements, lithium, nickel, cobalt and other technology metals, via an accelerated form of solvent extraction. The company will provide low-cost separation and purification processes to the critical-metals industry, enabling mining companies to compete in today's global marketplace.

**About Metalysis Limited**

Metalysis is a UK technology company with a unique, solid-state process to produce valuable metal and alloy powders primarily used in 3D printing, aerospace and automotive applications.

The process, originally invented at the University of Cambridge, UK, and commercialised by Metalysis, is more environmentally friendly and energy efficient than traditional melting technologies. With commercial partners in industry and academia, Metalysis uses its process to produce titanium alloys, and also niche, high-performance alloys of major interest in advanced manufacturing industries.

The Company is completing its Generation 4 ("Gen 4") expansion in the UK, taking production to industrial scale.

**Forward-Looking Statements**

This news release contains projections and statements that may constitute "forward-looking statements" within the meaning of applicable Canadian, United States and other laws. Forward-looking statements in this release may include, among others, statements regarding the future plans, costs, objectives or performance of Innovation Metals Corp. ("IMC"), or the assumptions underlying any of the foregoing. In this news release, words such as "may", "could", "would", "will", "likely", "believe", "expect", "anticipate", "intend", "plan", "goal", "estimate" and similar words and the negative forms thereof are used to identify forward-looking statements. Forward-looking statements are subject to known and unknown risks, uncertainties and other factors that are beyond IMC's control, and which may cause the actual results, level of activity, performance or achievements of IMC to be materially different from those expressed or implied by such forward-looking statements. Such risks and uncertainties could cause actual results and IMC's plans and objectives to differ materially from those expressed in the forward-looking information. IMC can offer no assurance that its plans will be completed. These and all subsequent written and oral forward-looking information are based on estimates and opinions of management on the dates they are made and expressly qualified in their entirety by this notice. Except as required by law, IMC assumes no obligation to update forward-looking information should circumstances or management's estimates or opinions change.

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